



PRELIMINARY DRAFT
No. 3594

PREPARED BY
LEGISLATIVE SERVICES AGENCY
2006 GENERAL ASSEMBLY

DIGEST

Citations Affected: IC 33-32-4; IC 34-30-2-144.3.

Synopsis: State central collection unit liability. Provides that the state central collection unit (unit) is not liable for certain errors in the disbursement and collection of child support payments. Provides the procedure the unit is to follow if the unit improperly disburses a child support payment.

Effective: July 1, 2006.



A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 33-32-4-5 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. The **state central**
3 **collection unit is not liable and the** clerk is not personally liable or
4 liable in the clerk's official capacity on the clerk's official bond for
5 funds received if the **state central collection unit or the** clerk:

6 (1) through error or in accordance with the best information
7 available to the **state central collection unit or the** clerk,
8 disbursed the funds to a person the **state central collection unit**
9 **or the** clerk reasonably believed to be entitled to receive the
10 funds and to comply with a:

11 (A) child support order; or

12 (B) garnishment order;

13 (2) inappropriately disbursed or misapplied child support funds,
14 arising without the knowledge or approval of the **state central**
15 **collection unit or** clerk, that resulted from:

16 (A) an action by an employee of, or a consultant to, the
17 ~~division of family and children;~~ **department of child services;**

18 (B) an ISETS technological error; or

19 (C) information generated by ISETS;

20 (3) disbursed funds that the **state central collection unit or** clerk
21 reasonably believed were available for disbursement but that were
22 not actually available for disbursement;

23 (4) disbursed child support funds paid to the ~~clerk~~ **central**
24 **collection unit** by a personal check that was later dishonored by
25 a financial institution; and

26 (5) did not commit a criminal offense as a part of the
27 disbursement.

28 SECTION 2. IC 33-32-4-6 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. If the **state central**
30 **collection unit or** the clerk improperly disburses funds in the manner
31 described by section 5 of this chapter, **the state central collection unit**



1 **or** the clerk shall do the following:

2 (1) Deduct the amount of funds improperly disbursed from fees
3 collected under IC 33-37-5-6.

4 (2) Credit each account from which funds were improperly
5 disbursed with the amount of funds improperly disbursed under
6 section 5 of this chapter.

7 (3) Notify the prosecuting attorney of the county of:

8 (A) the amount of the improper disbursement;

9 (B) the person from whom the amount of the improper
10 disbursement should be collected; and

11 (C) any other information to assist the prosecuting attorney to
12 collect the amount of the improper disbursement.

13 (4) Record each action taken under this subsection on a form
14 prescribed by the state board of accounts.

15 SECTION 3. IC 34-30-2-144.3 IS ADDED TO THE INDIANA
16 CODE AS A NEW SECTION TO READ AS FOLLOWS
17 [EFFECTIVE JULY 1, 2006]: **Sec. 144.3. IC 33-32-4-5 (Concerning**
18 **child support funds received and disbursed by the state central**
19 **collection unit or a court clerk).**

